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THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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MORE CATTLE AND HOGS—FEWER SHEEP AND HORSES—VALUES LOWER

The annual inventory of the Nation's livestock, made as of January 1, 1933, shows a slight increase in numbers (2 per cent) during the last year. The total value of livestock, however, dropped from \$3,195,000,000 a year ago to \$2,662,000,000. This shrinkage of half a billion dollars or 17 per cent in meat animals constitutes a very serious write-down of capital values, for on many farms these animals represent a large part of the working capital and are the principal security for short-time loans. The total value of livestock has been cut in half during the last three years, a shrinkage due entirely to the decline in prices.

The number of all cattle increased about 4 per cent last year, this figure being the largest since cattle numbers began to increase in 1928. Nearly half of the increase during the last five years has been in milk cows and heifers and the other half in beef cows and young stock; the number of steers has not changed appreciably. Surveys made in the New York fluid milk producing area indicate that the present increase in number of cows will not reach a peak before 1934. The average value of milk cows in the United States dropped from about \$40 a head a year ago to \$29 this year.

The estimate shows 60,716,000 hogs on farms, an increase of about 3 per cent during the last year. The Corn Belt as a whole shows only a slightly larger number; the highest rate of increase being in the South. Since the combined spring and fall pig crop of 1932 was estimated as 3 per cent smaller than that of 1931, the larger number on farms this January reflects a slowing up in the disposal of last year's crop. The average value of hogs at the beginning of this year was \$4.21 a head, which was the lowest value in 36 years.

The number of sheep in the country, after increasing steadily from 1923 down to 1932, showed a 3 per cent decrease during last year. The bulk of the decrease (900,000 head) was in lambs and sheep on feed for market, though ewes and ewe lambs also declined by about 700,000 head. Texas, however, increased its number of ewes substantially last year.

The 12,000,000 horses now on American farms, together with the 5,000,000 mules, represent the smallest inventory of work stock in more than 40 years. Prices of horses and mules have finally turned upward, presenting thereby a striking contrast with practically everything else produced on farms. The average value of horses is \$54 a head and of mules \$60 a head.

TREND OF LIVESTOCK PRODUCTION

The following shows the number of farm animals in the United States according to the estimate made as of January 1 each year. (Issued February 15, 1933, by Crop Reporting Board.)

(Figures given in terms of thousands, last three ciphers being omitted)

Farm animals	1925	1926	1927	1928	1929	1930	1931	1932	1933
Horses.....	16, 489	15, 830	15, 133	14, 495	13, 897	13, 684	13, 169	12, 641	12, 163
Mules.....	5, 725	5, 739	5, 652	5, 504	5, 389	5, 366	5, 226	5, 089	4, 981
All cattle.....	61, 996	59, 122	56, 832	55, 676	56, 389	59, 730	60, 987	62, 656	65, 129
Swine.....	55, 568	52, 148	54, 788	60, 617	57, 410	55, 301	54, 399	59, 078	60, 716
Sheep.....	38, 112	39, 730	41, 881	44, 795	47, 704	51, 383	52, 599	53, 321	51, 630
Milk cows.....	22, 481	22, 188	21, 801	21, 828	21, 849	22, 910	23, 576	24, 469	25, 136
Heifers ¹	-----	-----	-----	4, 184	4, 416	4, 700	4, 775	4, 685	4, 641

¹ Heifers 1 to 2 years old kept for milk cows.

The most significant items of information furnished by the annual livestock inventory report were: First, a continuation during 1932 of the general tendency, in evidence for some years, for livestock on farms to increase; second, another sharp drop during 1932 in the average value per head of meat animals but a small increase in the average value per head of work animals; third, another marked decrease in the total value of all livestock on farms.

The report shows that between January 1, 1932, and January 1, 1933, the number of cattle and hogs increased and the number of horses, mules, and sheep decreased. When these various increases and decreases are combined by the use of units which allow for the differences in size and feed requirements of the several species, a net increase of 1.8 per cent in total livestock units is shown. Since January 1, 1928, total livestock units have increased about 5 per cent. If, however, horses and mules are excluded in order to get the changes in meat animals by combining these according to total live weight on January 1, it is found that during 1932 total meat animals increased 3 per cent and from January 1, 1928, to January 1, 1933, the increase was over 10 per cent.

Although total livestock increased during 1932, the total value of all livestock declined markedly. The total value on January 1, 1933, of about \$2,662,000,000 was 17 per cent smaller than on January 1, 1932, and 54 per cent smaller than on January 1, 1930. This decreased total value was due to the decline in the average value per head of all species, except horses. It is significant, however, that during 1932 the relative decline in value per head was most marked with the species whose numbers increased during the year, cattle and hogs; less marked with sheep, whose numbers decreased, although they are still at a relatively high level; and that with horses and mules combined, whose numbers declined and are at a very low level, there was a slight increase.

The low values per head of meat animals are a reflection of the low prices of livestock for slaughter and of livestock products. Since, on many farms, these animals represent a large part of the working capital and the principal security for short-time loans, this further decline in values during 1932 reduces the ability of such farmers to

borrow for production purposes and reacts upon the standing of past loans made on such security.

The number of horses on farms, which decreased steadily from about 1918 to January 1, 1932, decreased by 3.8 per cent during 1932 and the number on January 1, 1933, of 12,163,000 head was the smallest in over 40 years. The number of mules, which decreased steadily from 1925 to January 1, 1932, decreased 2.1 per cent during 1932 and the number on January 1, 1933, of 4,981,000 head was the smallest since about 1916. The number of horses and mules combined was the smallest in over 40 years.

The average value per head of horses of \$54.15 on January 1, 1933, was a little higher than a year earlier and the average value of mules of \$60.31 was a little smaller than a year earlier, with the average price of both, combined, a little larger. This is in sharp contrast to most other farm products, the prices for which in January this year were much below January, 1932. While money values of horses and mules are still low, in terms of equivalents of values of other agricultural products, they are higher than at any time in the past 20 years.

Estimates of the numbers of horse and mule colts under 1 year of age on farms January 1, 1933, indicate that as yet there has been no increase in the raising of work animals. The estimated numbers of such horse colts was 446,000 compared to 448,000 on January 1, 1932, and of mule colts was 76,000 compared to 79,000 on January 1, 1932.

The number of all cattle on farms on January 1, 1933, was 65,129,000 head, being 3.9 per cent larger than a year earlier. The increase during 1932 was the largest, both in actual numbers and relatively, since cattle numbers began to increase in 1928. The following table shows the estimated number of all cattle separated into different classes as of January 1, for the three years 1928, 1932, and 1933.

Date (Jan. 1)	Total	Cows and heifers 2+for milk	Heifers 1-2 for milk cows	Heifer calves for milk cows	Cows and heifers 2+not for milk	Heifers 1-2 not for milk cows	Calves other than heifer calves for milk cows	All steers over 1 year	All bulls over 1 year
1928-----	56, 701	22, 129	4, 158	4, 606	8, 765	2, 523	7, 785	5, 362	1, 373
1932-----	62, 656	24, 469	4, 685	4, 945	9, 766	2, 853	9, 200	5, 217	1, 521
1933-----	65, 129	25, 136	4, 641	5, 109	10, 301	3, 057	9, 984	5, 348	1, 553

Of the total increase of 8,428,000 head between January 1, 1928, and January 1, 1933, 3,993,000 head, or 47 per cent, was in milk cows and heifers and heifer calves being kept for milk cows; 2,070,000 head, or 24 per cent, was in cows and yearling heifers not for milk and 2,199,000, or 26 per cent, in calves other than heifer calves being kept for milk cows. There was practically no change in the number of steers.

The value per head of all cattle on January 1, 1933, was \$19.93. A year earlier it was \$26.63 and on January 1, 1929, the highest point since the war, it was \$58.77. The value per head of milk cows was \$29.15. On January 1, 1932, it was \$39.57 and on January 1, 1929, when it was the highest on record, it was \$83.99.

The number of hogs on farms January 1, 1933, was 60,716,000 head, an increase of 2.8 per cent over January 1, 1932. In the North Central (Corn Belt) States the number this year was only 1 per cent

larger than a year earlier, with an increase of 13 per cent in the East North Central area nearly offset by a decrease of 4.2 per cent in the West North Central. The largest increase was in the South Central States, where it amounted to nearly 16 per cent. Since the combined spring and fall pig crop of 1932 was estimated as 3 per cent smaller than that of 1931, the increased number on farms January 1, 1933, reflects a slower rate of marketing and other disposal of the 1932 crop before January 1 than that at which the 1931 crop was distributed. The value per head of hogs on January 1, 1933, of \$4.21 was 32 per cent less than on January 1, 1932, and was the lowest value since 1897.

The number of sheep, after increasing steadily from January 1, 1923, to January 1, 1932, decreased during 1932 and on January 1, 1933, was 51,630,000 head, which was 3.2 per cent smaller than a year earlier. Of the total decrease during 1932 of 1,691,000 head, 900,000 head was in lambs and sheep on feed for market, 450,000 head in ewes 1 year old and over, and 240,000 head in ewe lambs being kept for breeding ewes.

In the 11 Western sheep States there was a decrease during 1932 of about 1,150,000 head of ewes and 130,000 head of ewe lambs. The decrease in ewes in this area was partly offset by increases of about 500,000 head in Texas and 140,000 head in the North Central States. The average value per head on January 1, 1933, of \$2.90 was 15 per cent less than a year earlier and was the lowest value since 1905.

C. L. HARLAN,
Division of Crop and Livestock Estimates.

THE FRUIT AND VEGETABLE SITUATION

Late February found fruit and vegetable markets again abundantly supplied, following the temporary shortage of some products caused by the extremely low temperatures earlier in the month. Combined shipments of some 25 leading products were averaging about 2,500 cars per day, or nearly the same as in 1932. The most active movement was reported in shipments of potatoes, oranges, apples, lettuce, cabbage, and onions.

Prices strengthened considerably during the cold wave, but soon lost most of their gain after car-lot movement again increased. The general level of prices for fruits and vegetables was still below that of last season.

APPLE SUPPLIES MODERATE

Apples in commercial cold-storage houses at the opening of February totaled only 922,000 barrels, 10,091,000 boxes, and 7,211,000 bushel baskets. Holdings were just about equal to the recent 5-year average for February and were 14 per cent lighter than last season. Stocks apparently will be well cleaned up by the end of the shipping season. The February reduction in freight rates from the Pacific Northwest resulted in a greatly increased movement from that region. Total output was averaging about 275 cars daily from all States but was lighter than a year ago. In spite of the relatively short supplies of eastern apples, prices were still running much below those of last season in the East, but the Northwest reported a price level more nearly like that of 1932. Bushel tubs of best 2½-inch minimum fruit were returning mostly 70 cents to \$1.10 f. o. b. western New York

points, with barrels at \$1.85 to \$2.25 according to variety. Shippers in the State of Washington were receiving mostly 65 to 85 cents per box of Extra Fancy grade, medium to large-sized apples, with the f. o. b. market not showing any great strength. Prices in eastern jobbing markets were tending slightly upward during February. The February cold wave apparently caused some damage to the prospective apple crop in the Middle West, but total injury probably was not extensive.

Citrus fruit prices were fairly well sustained, except for a decline on lemons. Boxes of oranges from Florida and California were jobbing in several city markets around \$2 to \$3.50, and Florida and Texas grapefruit brought mostly \$2 to \$3.75, with California lemons ranging \$4 to \$5.50 in the Middle West. Shipments of citrus fruit showed considerable fluctuation, but mid-February witnessed an average daily movement of nearly 300 cars of oranges, 100 cars of grapefruit, and 20 cars of lemons, besides mixed shipments. Total output was running considerably short of last season's corresponding volume.

Strawberries in Florida escaped injury from the cold weather, and movement from that State had not only caught up with last year's total to date but was exceeding the February output of 1932. A very large acreage was being harvested in Florida, and when daily shipments reached 40 or 50 carloads the price to growers dropped to a low level of 4 to 6 cents per pint, with city jobbing sales also quite moderate in price. Delay of the Louisiana berry crop until late March, as a result of low temperatures, was providing a wider outlet for the Florida fruit. Total acreage of strawberries for picking in 1933 is increased about 5 per cent over the 1932 acreage, most of the gain being in the second-early and intermediate States.

Peach buds in Georgia and the Carolinas apparently suffered some damage from the freezing weather of early February, and greater injury likely occurred to the prospective peach crops in Arkansas, Oklahoma, Illinois, Tennessee, and Michigan. However, with the exception of a few States, there is not expected to be any real shortage of this fruit, if weather conditions continue favorable.

Cantaloupes and similar melons in Imperial Valley of California are being grown this year on approximately 36,000 acres, compared with 45,750 acres last season and 51,640 acres in 1931. Florida may have twice as many acres of cantaloupes as last year, or a total of 400, while southern Texas is reduced to only 100 acres. In Imperial Valley, reductions are reported in the covered acreage of cantaloupes and honeydew melons, but a sharp increase in honeyballs.

Watermelons may be less plentiful during the early part of the coming season, as a result of greatly reduced plantings. Florida reports only 25,000 acres of early melons and Imperial Valley only 7,500 acres. This total of 32,500 compares with 38,000 acres in those two sections last year and 40,300 acres for the 1931 season.

POTATO PLANTINGS REDUCED

Potatoes of the early crop in Florida and the Rio Grande Valley of Texas will be harvested from a reduced acreage this spring. The February freeze also may reduce yields and delay movements from the Texas area. Rio Grande Valley with 10,300 acres of early commercial potatoes has nearly the same acreage as last season, but a

sharp cut in Florida gives that State only 17,000 acres. The two districts together show a decrease of 15 per cent from last year and the smallest commercial acreage since 1923. Six other early States report an acreage reduction of about one-eighth; four second-early States, a decrease of only 2 per cent from last season; but seven intermediate States an expected reduction of 13 per cent in commercial potato acreage, the greatest cut being on Eastern Shore of Virginia. Total potato plantings in the United States for 1933 may show a net reduction of about 3 per cent below the harvested acreage of 1932. A considerable shift has been made in recent years toward increased acreage within trucking distance of consuming markets and for home use. Merchantable stocks of 1932 potatoes on hand January 1, 1933, were estimated at nearly 104,000,000 bushels, or 6,000,000 less than the year before.

Extremely low temperatures during February caused a temporary decrease in car-lot movement and a sharp advance of potato prices. But the advance was short-lived, as a great increase in shipments when the weather moderated caused market prices to lose nearly all of their gain. F. o. b. sales in the important shipping areas were being made during late February within a range of 30 to 65 cents per 100 pounds sacked, depending largely upon source and variety. Returns in Maine and western New York were a little higher than those of a year ago, but western sections showed a price level far below that of early 1932. Terminal market prices compared more favorably with those of last season, the Chicago car-lot market ranging mostly 70 cents to \$1.35 per 100 pounds on old stock. New potatoes were jobbing generally at \$1.60 to \$2.15 per bushel crate, or at \$5.50 to \$6 per barrel. Shipments from all potato States were averaging around 700 cars per day.

Sweetpotato movement continued to lag behind last season's record and was averaging only 40 cars daily, with heaviest supplies from Tennessee, Louisiana, and Delaware. Because of the general deficiency in the East, the market values of eastern stock were exceeding prices of a year ago, while midwestern potatoes sold somewhat lower than in 1932. Most jobbing sales of Jersey-type sweets were being made at a range of 40 cents to \$1.35, depending upon the pack and the State of origin, with some receipts from New Jersey as high as \$1.85 per bushel package. Tennessee Nancy Halls sold generally at 50 to 65 cents per bushel hamper in the Middle West, and Louisiana Puerto Ricans at \$1 to \$1.25 per bushel crate. Acreage of sweetpotatoes for market is hardly expected to show any increase over that of last season, because of the relatively poor demand and rather low prices received this year.

Onion holdings on January 1 were estimated at 6,800,000 bushels, compared with 3,000,000 the year before and somewhat less than 6,000,000 bushels in 1931. Movement had been very slow and markets draggy until the February freeze. Then a sharp advance in prices of eastern and northern onions occurred and car-lot movement was increased. The price situation in the West was not greatly affected. The freeze probably did some damage to new-crop onions in Texas and delayed the maturity in that area. F. o. b. quotations on yellows from storage in western New York and Michigan jumped from 38 to 48 cents per 50-pound bag, while Valencia type and Yellow Danvers in Colorado still returned only about 20 cents f. o. b. Terminal market values also strengthened, but just how long the advance

would hold was problematical. Shipments reached a daily average of 100 cars shortly after the cold weather subsided, and were far heavier than movement the year before.

Cabbage in storage at the opening of this year totaled 82,000 tons, mostly in New York State and Wisconsin. Supplies on January 1 of 1932 and 1931 were only around 62,000 tons. The Wisconsin season had closed by February and nearly all of the cabbage supply from storage was originating in New York. The cold wave also improved market conditions for old-crop cabbage, and f. o. b. sales in western New York were made as high as \$7 to \$9 per ton bulk or \$9 to \$11 per ton sacked. But these prices were still below the corresponding level of last season, and shipping-point quotations on new stock in southern Texas were scarcely half those of February, 1932, even after having advanced to \$10 to \$14 per ton or 65 to 75 cents per western lettuce crate. Car-lot movements of new stock had increased to about 80 cars per day, and a temporary gain in the output of old storage stock resulted in 50 cars daily from New York during late February. Growers of early cabbage in the South reported 52,420 acres this season, compared with 35,000 last year, and the second-early group of States shows an increase of 3,000 acres or a total of 14,000 this year. However, the February freeze was expected to offset this increased acreage to some extent, as several producing districts reported rather serious damage.

Celery prices in Florida for a time were so low that growers agreed to plow up a portion of the crop as it matured each week. This curtailment of celery for the market resulted in a considerable improvement of prices and the mid-February f. o. b. range in Florida was \$1 to \$1.25 per 10-inch crate, with half crates in southern California returning close to \$1. City values of celery also advanced somewhat under the rather limited arrivals, ranging mostly \$1.50 to \$3 per crate. Florida was expected to have a heavy crop of about 2,000,000 crates of the two-thirds size, and spring celery in California was estimated at 937,000 two-thirds crates, or 85,000 more than last season. Destruction of part of the Florida crop will reduce proportionately the quantity marketed.

Lettuce shipments from Imperial Valley of California had reached only 6,000 cars by late February and were considerably short of the corresponding figure for last season. Movement was averaging about 150 cars daily and cash-track prices in the valley were slightly lower than the year before, ranging mostly \$1 to \$1.35 per crate. The spring crop in Arizona was expected to begin moving shortly from an acreage somewhat less than that of last year.

Tomatoes were moving actively from the southern part of Florida, the daily shipments for a time averaging 50 per cent greater than last season, or around 50 carloads a day. Imports from Mexico were much lighter than those of last winter, but Cuba was sending many more tomatoes to the United States than a year ago, combined imports averaging close to 30 cars per day. The February freeze caused some damage to tomatoes in Rio Grande Valley of Texas and in Imperial Valley of California, and movement from those districts will be delayed. Shippers in southern Florida were receiving \$1 to \$1.40 per lug box, f. o. b. cash track. Terminal market values were tending downward.

PAUL FROEHLICH,
Division of Fruits and Vegetables.

POTATO STOCKS SMALLER

Potato growers and local dealers and buyers in the 37 late and intermediate States are estimated to have had 103,948,000 bushels of merchantable potatoes on hand on January 1, 1933, and available for sale after that date, compared with 109,932,000 bushels on hand January 1 the year before. In the 18 surplus late potato States, the January 1 holdings are estimated to have been 94,789,000 bushels this year compared with 102,326,000 bushels last year; in the 12 other late States, 7,452,000 bushels compared with 5,882,000 bushels last year; in the 7 intermediate States, 1,707,000 bushels compared with 1,724,000 bushels a year ago.

Of the estimated crop of 326,599,000 bushels in these 37 States in 1932, reports to the United States Department of Agriculture indicate that about 1,600,000 bushels were left in the fields because they were considered too unprofitable to harvest at the low prices prevailing. This crop abandonment occurred in Minnesota, North Dakota, and, to lesser extent, in a few Western States. About 23,800,000 bushels, or 7.3 per cent of the 1932 crop, were reported to be unfit for food or seed, or lost through shrinkage or decay up to January 1. This quantity includes the cull potatoes that were sold to starch factories or fed to livestock before January 1. The reports further indicate that approximately 3,600,000 bushels of sound potatoes were fed to livestock prior to January 1 in the central and western surplus potato States. This is in addition to the cull stock fed, although normally the potatoes of poorer quality are fed first. The quantity of seed saved by potato growers in the 37 States, for planting the intended 1933 acreage on their own farms or in their localities is estimated to be nearly 32,700,000 bushels. The estimated amount of food used or saved for use on potato farms accounts for about 61,300,000 bushels.

These quantities estimated as having been left in the field, lost, wasted or fed to livestock by January 1, and the amounts saved for food and seed total 123,000,000 bushels. This leaves a balance of nearly 203,600,000 bushels representing potatoes sold by January 1 or then on hand and available for sale. Of this available stock, the growers' reports indicated that about 49 per cent, or 99,600,000 bushels, had already been marketed by January 1 and 103,950,000 bushels were still on hand, on farms or in the locality where grown, and available for sale after January 1. A year ago, out of a crop of 335,000,000 bushels in the same 37 States, the quantity sold to January 1 or then available for sale is estimated to have been 220,600,000 bushels, of which slightly more than one-half, or 110,700,000 bushels, had been disposed of, and the remaining 109,900,000 bushels were still available for sale, as of January 1.

THE EGG AND POULTRY MARKETS SITUATION

The sharp downward movement of egg prices, which began early in January, was checked for a few days during the first part of February. Severe cold weather throughout the country, and particularly the Middle West, not only slowed up the rapidly increasing production but also held back collections at country packing plants and checked shipments to the large terminal markets. This led to an advance of about 2 cents per dozen in egg quotations at the principal markets during the first eight days of February. Subsequently, however, this

advance was all lost when the weather began to moderate, and both truck and rail shipments were able to maintain a more normal schedule. With production again increasing, prices then dropped to the lowest points reached at any time since 1901, but strengthened towards the close of the month.

Except for the short period mentioned above the markets in February showed more than the usual amount of uneasiness. In spite of the set-back in production experienced during the early part of the month when weather conditions were mostly unfavorable, receipts were more than ample to satisfy a disappointing consumer demand. It was felt in many quarters that after retail prices were adjusted to the lower wholesale costs the consumption of eggs would pick up sharply. Although drastic adjustments have been made in retail prices, with a number of the chain stores in the East featuring prices below 20 cents a dozen, consumption has not made the response that was generally expected. Trade out-put at New York, Chicago, Philadelphia and Boston during the first three weeks of February was over 20 per cent lighter than during the same three weeks last year. The explanation most commonly advanced is that in addition to the still further restricted consumer buying power the high retail prices of eggs last fall when supplies were scarce caused a switch to other food products that has not as yet been overcome.

Except for the early part of the month, the weather in February has been such as to encourage heavy egg production. Recent reports compiled by the bureau indicate that the number of hens and pullets was about 2.5 per cent greater on February 1 this year than on February 1 a year ago. Feed is plentiful and cheap and under the influence of comparatively mild weather egg production on February 1 was almost 10 per cent greater than the very heavy February 1 production of the past two years when the winters were also mild. Production since February 1 has apparently held closely to this trend, as collections of eggs at primary markets in the Middle West for the first three weeks of the month have shown an average increase of about 67 per cent over the collections for the corresponding three weeks of last year. Receipts at the principal markets for the same period, however, were only about 5 per cent larger.

It is a little too early as yet to say much about the forthcoming storage movement. The trade in general is not quite as optimistic regarding the extent of the business recovery expected this year as they were a few months ago, and most of the trading done in April storage packed eggs at Chicago in February was around 14 and 15 cents. It is believed that if the present trend of low prices is continued into the storage season the quantity stored will be greater than last year. It is not felt, however, that the experiences of 1930 and 1931 will be entirely forgotten, but that they will serve as a check against the possibility of storing anywhere near the eggs that were stored in either one of those two years. Total stocks of eggs in cold storage on February 1 amounted to only 76,000 cases compared with 663,000 cases on February 1 last year and 362,000 cases for the 5-year average for that date. Most of these were this year's eggs as reports of eggs held in storage warehouses in 26 of the most important storage centers indicate that the quantity of eggs held in storage at these points had started to increase during the latter part of January instead of continuing to decrease as in other years. This trend has continued into February. A large part of the eggs stored in the past four weeks

has been to the account of receivers who preferred to take a chance on an improvement in prices within a few weeks rather than to sell at the time of arrival on a market lower than the country costs. Some of the better marks stored during this period may be held over, but most of such stock will be worked into consumption at the first favorable opportunity.

The poultry markets in February were generally unsettled and irregular. As usual at this time of the year, the receipts of fresh-killed chickens fell off rapidly, with the bulk of arrivals consisting mostly of fresh-killed fowl and turkeys. Receipts of fowl and turkeys were fairly heavy, with the market on both inclined to weakness. The low midwinter egg prices apparently encouraged some early selling off of farm flocks, although as yet the movement has not been as great as was expected. The market was particularly weak on large-sized fowl, quotations dropping 1 cent on sizes between 4 and 6 pounds and 2 cents on sizes over 6 pounds. Small fowl cleared readily at unchanged prices, but in spite of lower quotations on the large sizes some accumulation occurred.

Receipts of fresh-killed turkeys were slightly in excess of trade requirements at prevailing quotations during the early part of the month, and prices declined 1 cent. The market held relatively steady at the new level until toward the close of the month when the poor quality of young toms caused the spread between young toms and hens to increase to 2 cents on an advance of 1 cent for young hens.

In frozen poultry prices held about steady on chickens but 1 cent lower on fowl. Small broilers sold fairly well but with the large sizes inclined to drag. Frying chickens were under considerable pressure during the month with concessions of 1 to 2 cents freely offered. Roasting chickens moved moderately well, although there was quite a volume of late-stored stock selling 1 to 2 cents below prevailing quotations which had an unsettling effect.

Total stocks of dressed poultry in cold storage on February 1, 1933, amounted to 104,752,000 pounds compared with 111,554,000 pounds on February 1 last year and 114,989,000 pounds for the 5-year average for that date. In general these holdings are held to be conservative, and unless there is an unexpected heavy increase in current marketings from farm flocks because of the present level of egg prices, a continued steady market is expected for most of the out-of-storage season. At the present time quotations on frozen poultry are somewhat above the prices at which stored last fall.

B. H. BENNETT,
Division of Dairy and Poultry Products.

DOMESTIC DAIRY MARKETS REVIEW

There are some elements of support to be found in the current dairy market situation, but these are offset by certain weakening factors, with the result that again this month, the general tone of markets is more or less unsettled and nervous. This is particularly true of butter and fluid milk markets, for cheese and canned milk are about steady. Regardless of an unsettled tone, however, prices have held their own, and butter prices are actually higher than they were at the beginning of the month. To some extent, the rather sharp advance of butter prices early in the month was due to the severe

storms which occurred through the Middle West, and which slowed up traffic and delayed market arrivals. The immediate result of this was that dealers who had supplies were inclined to hold them, while buyers who anticipated further delays were in the market to buy, even at higher prices. The January production situation was such as to bear down on the markets somewhat, although such has not been the case in February. Developments in the field of banking this month have also been of some possible influence in keeping dairy markets disturbed, because these developments have served to weaken the confidence of dealers handling dairy products, as well as those in other lines of business.

Reports on January production indicate a substantial increase over January, 1932, for principal manufactured dairy products. In the case of creamery butter, estimated production of 124,470,000 pounds, which is 3,000,000 pounds, or 2.3 per cent above January, 1932, represents the largest January production on record. In practically every State east of the Rockies, except in the South, there were increases. In Iowa the increase over last year was 8 per cent, Minnesota 3.5 per cent, Nebraska 9 per cent, Michigan and Ohio 13 per cent each, and Illinois almost 4 per cent. Wisconsin butter production barely exceeded that of January, 1932, although cheese production in that State was 14 per cent heavier than last year. In the Mountain and Pacific States, on the other hand, there were heavy decreases, reaching such large proportions as 8 per cent in California, 11 per cent in Washington, 16 per cent in Oregon, and 9 per cent each in Montana and Utah. In some of the fluid milk sections of the far East, considerable quantities of surplus milk and cream were diverted into butter. In New York State, January shows an increase of almost 150 per cent over 1932.

The estimated increase in January production of American cheese over last year is 15.5 per cent. Here again, New York State production was greatly in excess of last year, being almost three times more. The most important increase from a volume standpoint was in Wisconsin, where the percentage change was over 14 per cent. In the Mountain and Pacific States the change compared with last year was just the reverse of the butter-production change, for there were substantial increases in the case of cheese.

Another important product which showed a large increase in January over last year, was evaporated milk, with a gain in excess of 17 per cent. Evaporated-milk production, however, has exceeded that of the corresponding month a year earlier, since April, 1932, and the January increase is merely a continuance of this trend. Condensed-milk production in January was almost 20 per cent less than last year.

Current butter prices during most of February have been some $2\frac{1}{2}$ cents above opening prices the first of the month, and have held quite steady since the first week of the month until to-day (February 27) when an apparent weakness developed, causing a break of $\frac{3}{4}$ cent in top scores at New York. February will average about a cent below January, and about $3\frac{3}{4}$ cents below February of last year. Incidentally, this month's average will be the lowest February price since in the sixties. It is of some interest to note that at times there has been a scarcity of undergrade butter on all markets this month,

so much so that reporting of wholesale prices below 90 score has become impossible at New York and Philadelphia.

Cheese prices have continued unchanged throughout the month, except at Chicago where a slight advance occurred on February 20. Dealers' light stocks, together with the holding up of some shipments from Wisconsin where a milk strike was in effect for a time, apparently accounted for this change. Prices at Wisconsin country points, however, have not changed since the middle of January.

A few price changes occurred in fluid-milk markets this month, but these for the most part applied to retail prices. Dealers' buying prices average only 5 cents per hundredweight less than in January, but are 38 cents per hundredweight below a year ago. An average of but 84 cents per hundredweight is the February price paid by condenseries, with a range from \$1.09 in the Atlantic seaboard States down to 77 cents in some of the far Western States.

Reserve supplies of all manufactured dairy products are relatively small, although cheese stocks are not greatly below last year, nor average. Butter stocks have reached a level which makes them unimportant from the standpoint of supply, amounting to but 17,842,000 pounds on February 1, compared with 22,506,000 pounds on February 1 last year, and a 5-year average of 36,510,000 pounds. Since the first of the month butter stocks in principal storage centers have been reduced 25 per cent.

One encouraging feature is found in the figures relating to trade output or apparent consumption. For butter there was an increase of 2.3 per cent in January over last year and cheese and evaporated milk increased 5 per cent and 7.5 per cent, respectively. While condensed milk shows a decrease of 5 per cent, all of these products combined on a milk equivalent basis show an increase approximate 3 per cent. These changes suggest that consumers have taken advantage of the low prices which have prevailed on dairy products, and have used more of them.

L. M. DAVIS,
Division of Dairy and Poultry Products.

PRICES OF FARM PRODUCTS

Estimates of average prices received by producers at local farm markets based on reports to the division of crop and livestock estimates of this bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

Product	5-year average, August, 1909- July, 1914	Febru- ary average, 1910- 1914	Febru- ary, 1932	Janu- ary, 1933	Febru- ary, 1933
Cotton, per pound....cents--	12. 4	12. 3	5. 8	5. 6	5. 5
Corn, per bushel.....do----	64. 2	60. 1	32. 4	19. 1	19. 4
Wheat, per bushel.....do----	88. 4	89. 2	44. 0	32. 9	32. 3
Hay, per ton.....dollars--	11. 87	12. 02	8. 45	6. 03	5. 91
Potatoes, per bushel....cents--	69. 7	66. 3	44. 8	37. 4	37. 0
Oats, per bushel.....do----	39. 9	39. 8	22. 8	13. 4	13. 3
Beef cattle, per 100 pounds -----dollars--	5. 20	5. 11	4. 08	3. 28	3. 31
Hogs, per 100 pounds.do----	7. 24	7. 12	3. 53	2. 68	2. 94
Eggs, per dozen.....cents--	21. 5	23. 7	12. 8	21. 4	11. 0
Butter, per pound.....do----	25. 5	26. 6	23. 4	20. 6	18. 4
Butterfat, per pound.do----	26. 3	27. 4	19. 8	18. 9	15. 8
Wool, per pound.....do----	17. 8	18. 5	13. 0	8. 9	8. 8
Veal calves, per 100 pounds -----dollars--	6. 75	6. 77	5. 80	4. 12	4. 75
Lambs, per 100 pounds -----dollars--	5. 90	5. 95	4. 58	4. 09	4. 19
Horses.....each--	142. 00	143. 00	58. 00	59. 00	62. 00

COLD-STORAGE SITUATION

[February 1 holdings, shows nearest millions, i. e., 000,000 omitted]

Commodity	5-year average	Year ago	Month ago	Feb. 1, 1933
Apples, total.....barrels--	¹ 6, 692	¹ 7, 807	¹ 8, 513	¹ 6, 689
Frozen and preserved fruits.pounds--	64	89	75	70
40 per cent cream...40-quart cans--	-----	¹ 60	¹ 169	¹ 124
Creamery butter.....pounds--	37	23	22	18
American cheese.....do----	55	54	58	53
Frozen eggs.....do----	56	72	55	46
Shell eggs.....cases--	¹ 362	¹ 663	¹ 159	¹ 76
Total poultry.....pounds--	115	112	112	105
Total beef.....do----	78	51	43	40
Total pork.....do----	716	674	491	576
Lard.....do----	92	78	41	53
Lamb and mutton, frozen....do----	4	2	3	2
Total meats.....do----	879	797	579	665

¹ Three ciphers omitted.

GENERAL TREND OF PRICES AND WAGES

[1910-1914=100]

Year and month	Wholesale prices of all commodities ¹	Industrial wages ²	Prices paid by farmers for commodities used in—			Farm wages	Taxes ³
			Living	Production	Living-production		
1910.....	103	-----	98	98	98	97	-----
1911.....	95	-----	100	103	101	97	-----
1912.....	101	-----	101	98	100	101	-----
1913.....	102	-----	100	102	100	104	-----
1914.....	99	-----	102	99	101	101	100
1915.....	102	101	107	103	106	102	102
1916.....	125	114	125	121	123	112	104
1917.....	172	129	148	152	150	140	106
1918.....	192	160	180	176	178	176	118
1919.....	202	185	214	192	205	206	130
1920.....	225	222	227	175	206	239	155
1921.....	142	203	165	142	156	150	217
1922.....	141	197	160	140	152	146	232
1923.....	147	214	161	142	153	166	246
1924.....	143	218	162	143	154	166	249
1925.....	151	223	165	149	159	168	250
1926.....	146	229	164	144	156	171	253
1927.....	139	231	161	144	154	170	258
1928.....	141	232	162	146	156	169	263
1929.....	139	236	160	146	155	170	267
1930.....	126	226	151	140	146	152	266
1931.....	107	207	129	122	126	116	⁴ 250
1932.....	95	178	-----	-----	-----	86	⁴ 215
January—							
1921.....	166	217	-----	-----	-----	-----	-----
1922.....	133	192	-----	-----	-----	-----	-----
1923.....	149	206	158	138	150	-----	-----
1924.....	145	219	163	141	154	-----	-----
1925.....	150	223	164	149	158	-----	-----
1926.....	151	229	165	145	157	-----	-----
1927.....	141	232	-----	-----	-----	-----	-----
1928.....	141	230	-----	-----	-----	-----	-----
1929.....	140	234	-----	-----	-----	-----	-----
1930.....	135	234	-----	-----	-----	-----	-----
1931.....	114	212	-----	-----	-----	-----	-----
1932.....	98	191	-----	-----	118	98	-----
1932							
July.....	94	171	-----	-----	109	87	-----
August.....	95	173	-----	-----	108	-----	-----
September.....	95	177	109	106	108	-----	-----
October.....	94	177	-----	-----	107	84	-----
November.....	93	171	-----	-----	106	-----	-----
December.....	91	170	-----	-----	106	-----	-----
1933							
January.....	89	164	-----	-----	105	74	-----

¹ Bureau of Labor Statistics. Index obtained by dividing the new series 1926=100, by its pre-war average, 1910-1914, 68.5.

² Average weekly earnings, New York State factories. June, 1914=100.

³ Index of estimate of total taxes paid on all farm property, 1914=100.

⁴ Preliminary.

GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base, August, 1909-July, 1914=100]

Year and month	Index numbers of farm prices							Prices paid by farmers for commodities bought ¹	Ratio of prices received to prices paid
	Grains	Fruits and vegetables	Cotton and cotton-seed	Meat animals	Dairy products	Poultry products	All groups		
1910-----	104	91	113	103	100	104	103	98	106
1911-----	96	106	101	87	97	91	95	101	93
1912-----	106	110	87	95	103	101	99	100	99
1913-----	92	92	97	108	100	101	100	100	99
1914-----	103	100	85	112	100	105	102	101	101
1915-----	120	83	78	104	98	103	100	106	95
1916-----	126	123	119	120	102	116	117	123	95
1917-----	217	202	187	173	125	157	176	150	118
1918-----	226	162	245	202	152	185	200	178	112
1919-----	231	189	247	206	173	206	209	205	102
1920-----	231	249	248	173	188	222	205	206	99
1921-----	112	148	101	108	148	161	116	156	75
1922-----	105	152	156	113	134	139	124	152	81
1923-----	114	136	216	106	148	145	135	153	88
1924-----	129	124	211	109	134	147	134	154	87
1925-----	156	160	177	139	137	161	147	159	92
1926-----	129	189	122	146	136	156	136	156	87
1927-----	128	155	128	139	138	141	131	154	85
1928-----	130	146	152	150	140	150	139	156	90
1929-----	121	136	145	156	140	159	138	155	89
1930-----	100	158	102	134	123	126	117	146	80
1931-----	63	98	63	93	94	96	80	126	63
1932-----	44	71	46	63	70	80	57	-----	-----
February—									
1921---	136	127	89	119	165	185	128	-----	-----
1922---	102	173	128	108	134	140	118	-----	-----
1923---	114	122	215	110	151	151	136	152	89
1924---	113	123	247	102	150	157	136	154	89
1925---	178	131	183	126	134	166	146	158	92
1926---	140	218	142	146	143	145	143	157	92
1927---	122	142	94	143	143	145	127	154	82
1928---	128	153	141	139	145	144	135	154	87
1929---	123	111	149	150	144	158	136	156	88
1930---	115	168	121	150	129	154	131	152	86
1931---	75	109	76	106	101	79	90	136	66
1932---	51	68	47	65	79	70	60	116	52
1932									
June-----	44	82	37	57	62	59	52	110	48
July-----	42	83	41	72	63	65	57	109	53
August-----	43	79	51	69	65	75	59	108	54
September---	41	68	57	67	67	84	59	108	55
October-----	36	59	51	60	68	102	56	² 107	² 52
November---	34	57	47	57	68	115	54	² 106	² 51
December---	33	59	43	52	69	121	52	² 106	² 50
1933									
January-----	34	59	45	51	68	96	51	² 105	² 49
February---	34	57	44	53	62	57	49	² 104	² 47

¹ These index numbers are based on retail prices paid by farmers for commodities used in living and production, reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.

Preliminary.

AGRICULTURAL LOANS OUTSTANDING ¹

[Millions of dollars]

Year and month	Farm mortgage loans by—				Federal inter- mediate credit bank loans		Crop pro- duc- tion seed loans
	Federal land banks	Joint stock land banks	Loans by 40 life in- surance com- panies	Mem- ber banks	To coop- erative associa- tions	To financ- ing agencies	
1926-----	1, 078	632	1, 588	489	53	40	³ 0.2
1927-----	1, 156	667	1, 618	478	32	44	-----
1928-----	1, 194	605	1, 606	444	36	45	-----
1929-----	1, 197	585	1, 591	388	26	50	³ 6
1930-----	1, 188	553	1, 554	387	64	66	³ 5
1931-----	1, 163	530	1, 512	359	45	75	³ 47
1932—January -	1, 158	525	1, 512	-----	43	75	-----
June-----	1, 139	470	1, 467	363	36	80	65
Sept-----	1, 129	454	1, 443	368	19	83	57
Dec-----	1, 116	² 409	-----	356	10	83	47
1933—January--	1, 112	² 404	-----	-----	7	81	46

¹ See April, 1932, issue for sources.² Omits \$53,000,000 owed 3 banks in receivership.³ Total.

SELECTED INTEREST AND DISCOUNT RATES, AND BOND YIELDS

[Percentages]

Year and month	12 Federal land banks		60 high grade bond yields	12 Federal in- termediate credit banks' rates		Com- mercial paper rates (4-6 months' average)	Federal reserve bank (New York) discount rate
	Rates to bor- rowers	Bond yields		On loans	On dis- counts		
1917-----	5. 05	4. 33	4. 80	-----	-----	4. 74	4 -4½
1920-----	5. 50	5. 14	5. 88	-----	-----	7. 46	4¾-7
1923-----	5. 50	4. 39	4. 98	5. 50	5. 50	5. 01	4 -4½
1929-----	5. 32	4. 78	4. 70	5. 56	5. 61	5. 84	4½-6
1930-----	5. 63	4. 70	4. 52	4. 53	4. 54	3. 58	2½-4½
1931-----	5. 63	5. 34	4. 70	4. 08	4. 08	2. 63	1½-3½
1932—January -	5. 63	5. 82	5. 86	5. 34	5. 34	3. 88	3½
June-----	5. 63	5. 95	6. 72	4. 10	4. 10	2. 75	2¾
December--	5. 58	5. 56	5. 85	3. 25	3. 25	1. 50	2½
1933—January--	5. 58	5. 30	5. 59	3. 17	3. 17	1. 38	2½